

**2009 APPROVED WORK PLAN AND MEETING SCHEDULE  
for the  
INVESTMENTS OVERSIGHT COMMITTEE**

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**Work Plan**

During the 2009 interim, the committee will focus on the following activities.

1. Examine the performance of the investment portfolios of the State Investment Council (SIC), the Public Employees Retirement Association (PERA), the Educational Retirement Board (ERB), funds in the state treasury, state college saver and deferred compensation funds (the "investment funds") in absolute terms and compared to policy benchmarks and comparable funds. This would include the returns on the entire portfolio as well as the return on individual segments, including stocks, bonds, real estate and private equity.

2. Review the manner in which investment policy and associated earning benchmarks were set for the investment funds by the governing bodies and investigate how each agency determines the proportional mix of types of investments, including mutual stock and bond funds, individual stocks and bonds, real estate, privacy equity, etc. The IOC also proposes to seek an understanding of how investment policies for the retirement funds change in response to changes in projections regarding program solvency and unfunded liabilities.

3. Given the severe downturn in the retirement fund balances and in preparation for the review to be submitted to the committee by the Retirement Systems Solvency Task Force as well as the independent operational and fiduciary review to be contracted for by the Legislative Council Service and the State Board of Finance, the IOC will gather background information on the constitutional and statutory provisions governing defined benefit and defined contribution

retirement plans.

4. Receive reports from the independent operational and fiduciary review contractor on "best practices" among comparable state investment funds in the areas of investment fund governance, process and policies, in the areas of board composition and independence, staff expertise, overall investment policy setting, the selection of individual investments, selection and compensation of advisors, portfolio valuation and rebalancing, etc.

5. The IOC will investigate the apparent failure of investment advisors to anticipate and/or provide adequate safeguards against the recent economic and financial collapse and whether unwarranted payments were made to third-party investment marketers or placement agents.

6. Receive ongoing status reports on progress of the Retirement Systems Solvency Task Force created by House Bill 573 and propose IOC-sponsored legislative reforms based on the task force's deliberations and reports to the committee.

## **APPROVED MEETING SCHEDULE**

<b><u>Date</u></b>	<b><u>Location</u></b>
June 8, 2009	Santa Fe
July 6 & 7, 2009	Santa Fe
August 26, 2009	Santa Fe
October 9, 2009	Santa Fe
November 30, 2009	Santa Fe